



Office of Inspector General

OFFICE OF TECHNOLOGY,
FINANCIAL, AND ANALYTICS

SPECIAL REPORT -

FOLLOWUP ON THE DEPARTMENT OF ENERGY'S
IMPLEMENTATION OF THE DIGITAL
ACCOUNTABILITY AND TRANSPARENCY ACT OF
2014

DOE-OIG-22-03
NOVEMBER 2021



Department of Energy
Washington, DC 20585

November 8, 2021

Memorandum for The Secretary

A handwritten signature in cursive script, appearing to read "Teri L. Donaldson".

From: Teri L. Donaldson
Inspector General

Subject: Special Report on the Followup on the Department of Energy's
Implementation of the Digital Accountability and Transparency Act
of 2014

Highlights

What We Reviewed and Why

The *Digital Accountability and Transparency Act of 2014* (DATA Act) requires Federal agencies to report financial and non-financial award data in accordance with standards established by the Department of the Treasury and the Office of Management and Budget. To enable more transparent and effective tracking of Federal expenditures, the DATA Act requires public availability of agency spending information such as obligation amounts and awardee recipient data. This information is made available to the public and policy makers via USASpending.gov, a website operated by the Department of the Treasury in consultation with the Office of Management and Budget.

The DATA Act also includes provisions requiring the Office of Inspector General to evaluate the completeness, accuracy, and timeliness of agency spending data and the implementation and use of data standards. Our November 2019 report (DOE-OIG-20-05) revealed that the Department of Energy's fiscal year 2019 first quarter data submission earned an overall quality score of "high." In our ongoing effort to meet DATA Act oversight requirements, we performed our current review in accordance with guidelines established by the Council of the Inspectors General on Integrity and Efficiency. This report documents the results of our third assessment of the Department's implementation of the DATA Act and includes an evaluation of the quality of data submitted for publication on USASpending.gov for the first quarter of fiscal year 2021.

What We Found

We found that the Department, which includes the Federal Energy Regulatory Commission, continued to make improvements to the quality of its data since our prior report was issued in November 2019. Utilizing guidance established within the December 2020 *CIGIE FAEC¹ Inspectors General Guide to Compliance under the DATA Act (CIGIE Guide)*, we determined that the Department earned an “excellent” quality score of 98.9 points, which factored in the results of statistical and non-statistical tests, as follows:

- **Statistical Testing Results:** Our assessment of procurement and financial assistance awards found that around 96 percent of 20,504 required data elements were complete, accurate, and timely. In particular, we identified 326 completeness errors; however, none were attributable to the Department. We also noted 265 accuracy errors² and 3 timeliness errors, all of which were attributable to the Department.
- **Non-Statistical Testing Results:** We did not identify any errors related to the completeness, accuracy, or timeliness of COVID-19 outlays. We tested over 300 data elements related to 51 outlays in accordance with *CIGIE Guide* instructions for selecting a non-statistical sample of outlays for agencies that received COVID-19 funding.

The weaknesses occurred, in part, because the Department did not always ensure the accuracy of spending data submitted to USASpending.gov for public use. In addition, although many of the issues identified were outside of the Department’s control, we determined that officials did not always ensure that data derived from third-party systems was complete and accurate.

Despite making improvements in the reporting of financial and non-financial data since the inception of DATA Act requirements, we conclude that additional work remains to further improve the Department’s DATA Act reporting. Without complete, accurate, and timely data, the Department remains at risk for reporting unreliable and inconsistent Federal spending data to USASpending.gov.

What We Suggest

In light of the overall quality of data reported by the Department, we did not make formal recommendations for improvement. However, we suggest that the Department update and implement processes for ensuring the completeness, accuracy, and timeliness of its DATA Act submission, as appropriate.

cc: Deputy Secretary
Chief of Staff
Deputy Chief Financial Officer
Director, Office of Management

¹ CIGIE FAEC stands for The Council of the Inspectors General on Integrity and Efficiency Federal Audit Executive Council.

² If a data element was assessed as incomplete, it was by default also assessed as inaccurate per DATA Act reporting guidance.

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Background and Objective

Background

The *Digital Accountability and Transparency Act of 2014* (DATA Act) was enacted in May 2014 to expand reporting requirements pursuant to the *Federal Funding Accountability and Transparency Act of 2006* and to increase accountability and transparency of Federal spending. The DATA Act, in part, requires Federal agencies to report financial and award data in accordance with established Government-wide data standards via USASpending.gov, a website operated by the Department of the Treasury (Treasury) in consultation with the Office of Management and Budget (OMB). In January 2017, agencies began reporting on 57 defined data standards, commonly referred to as data elements, published by the Treasury and the OMB. To promote full and transparent reporting of spending related to the COVID-19 pandemic, two additional data elements were added to DATA Act reporting instructions in April 2020.

The DATA Act requires each Office of Inspector General to periodically: (1) audit a statistically valid sample of the spending data submitted by its respective agency; (2) submit to Congress a publicly available report assessing the completeness, accuracy, and timeliness of data sampled; and (3) assess the agencies' implementation and use of the Government-wide financial data standards. Our previous report, *Followup on the Department of Energy's Implementation of the Digital Accountability and Transparency Act of 2014* (DOE-OIG-20-05, November 2019), determined that the Department of Energy's fiscal year (FY) 2019 first quarter data submission earned an overall quality score of "high." However, instances were identified where the Department's data submission was not complete, accurate, or timely. In addition, the Government Accountability Office noted in July 2020 that 51 Federal agencies reported varying levels of quality related to their FY 2019 first quarter data submission, affecting the completeness, accuracy, timeliness, and use of data standards.

Report Objective

The objective of this audit was to determine whether the Department submitted complete, timely, and accurate spending data to the OMB and the Treasury, as required by the DATA Act.

Results of Review

We determined that the Department, which includes the Federal Energy Regulatory Commission, continued to make improvements to the quality of its data since our prior report was issued in November 2019 (see Appendix 3 for a comparison of FY 2019 and FY 2021 error rates). Based on the results of our statistical and non-statistical testing of the Department’s FY 2021 first quarter data, we determined that the Department earned an overall quality score of 98.9 points, which the Council of the Inspectors General on Integrity and Efficiency (CIGIE) considered an “excellent” quality rating.³ However, additional work remains to ensure that the reporting of Federal spending data to the Treasury is reliable and consistent. In particular, our assessment of 464 procurement and financial assistance award records revealed a total of 905 completeness, accuracy, and timeliness errors.⁴ Notably, only 253 of these errors (28 percent) were attributable to the Department, as indicated in the following table. The remaining errors occurred as a result of third-party systems.

Total Completeness, Accuracy, and Timeliness Errors								
Data Element Name	Completeness Errors*		Accuracy Errors		Timeliness Errors		Attributable to the Department	Attributable to a Third-Party System
	Procurement Award	Financial Assistance Award	Procurement Award	Financial Assistance Award	Procurement Award	Financial Assistance Award		
Legal Entity Congressional District	314	0	314	0	0	0		X
Ultimate Parent Unique Identifier	0	4	0	4	0	0		X
Ultimate Parent Legal Entity Name	0	8	0	8	0	0		X
Current Total Value of Award	0	N/A	114	N/A	0	N/A	X	
Potential Total Value of Award	0	N/A	136	N/A	0	N/A	X	
Action Date	0	0	0	0	3	0	X	
Total Number of Errors	326		576		3			
Error Rates	1.53%		2.70%		0.01%			

*If a data element was assessed as incomplete, it was by default also assessed as inaccurate per DATA Act reporting guidance.

Testing Methodology

We conducted this performance audit in accordance with the December 2020 *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act (CIGIE Guide)*. The *CIGIE Guide* was created to provide a common methodology and reporting approach for mandated DATA Act reviews conducted by the Inspector General community. We reviewed financial and non-financial data elements certified by the Department for the first quarter of FY 2021. The following chart summarizes the files reviewed, file contents, and the data source for each file. Detailed information related to the DATA Act files, descriptions, and information data flow can be found in Appendix 1.

³ Refer to Appendix 5 for an explanation of CIGIE’s data quality ratings and scores.

⁴ Results of our testing of completeness, accuracy, and timeliness for each data element can be found in Appendix 2.

DATA Act Broker Files	Contents of DATA Act Broker Files	Source Systems for Broker Files
File A	Appropriation Accounts	Standard Accounting and Reporting System
File B	Object Class and Program Activity	
File C	Award Financial	
File D1	Award and Awardee Attributes (Procurement)	Federal Procurement Data System – Next Generation (FPDS-NG) (Managed by the General Service Administration)
File D2	Award and Awardee Attributes (Financial Assistance)	Financial Assistance Broker Submission (Managed by the Treasury)

Our audit followed the overall methodology, objectives, and audit procedures outlined within the *CIGIE Guide* by:

- Performing an assessment of internal and information system controls over the Department’s source systems. Based on the test work performed, we noted that the Department operated a sufficient internal control environment and monitoring system for accurate DATA Act reporting. We also determined that the Department met OMB and Treasury requirements for the implementation and use of data standards.
- Evaluating the Department’s processes for submitting and certifying procurement and financial assistance award data to the Treasury’s DATA Act Broker system.⁵ Our analysis found that the Department’s DATA Act submission was adequate and timely.
- Conducting tests to determine the completeness and accuracy of summary-level data (Files A and B), such as appropriations accounts; object classes; and program activities, and award financial data (File C), which included award obligation and outlay amounts. No exceptions were noted.

We also performed tests of completeness, accuracy, and timeliness on the Department’s FY 2021 first quarter submission for each of the data elements required by the *CIGIE Guide*. To conduct these tests, we selected a statistically valid sample of 349 records⁶ from the Award Financial file (File C), which was generated from the Department’s financial system. We then linked each File C record in our sample to the applicable procurement award records (File D1) or financial assistance award records (File D2). Ultimately, we reviewed a total of 447 procurement award records and 17 financial assistance award records, totaling over 20,000 data elements tested for completeness, accuracy, and timeliness.

During the current audit cycle, additional instructions were incorporated into the *CIGIE Guide* for agencies that received COVID-19 funding to ensure full and transparent reporting of that

⁵ The DATA Act Broker system is an information technology system developed by the Treasury to standardize data formatting and assist agencies in validating data submissions before being uploaded to USASpending.gov.

⁶ In accordance with the *CIGIE Guide*, we based the sample size on a 95 percent confidence level, an expected error rate of 50 percent, and a desired sampling precision of 5 percent.

supplemental spending. In accordance with these instructions, we tested the entire universe of COVID-19 outlays from File C that did not have an obligation reported in the third month of the quarter selected (December 2020). In total, we tested the completeness, timeliness, and accuracy for over 300 data elements related to 51 COVID-19 outlays.

Completeness of Data

Although we noted that the Department had improved its data quality since our 2019 report, we identified instances in which procurement and financial assistance award data submitted to USASpending.gov was incomplete. According to the *CIGIE Guide*, a data element is incomplete if the data element required to be reported is not populated in the appropriate file. We found that 322 of 464 (69 percent) records were incomplete, resulting in an overall completion error rate of 1.53 percent for the Department's FY 2021 first quarter submission. In particular, we identified the following:

- Completeness errors related to the Legal Entity Congressional District data element in File D1. Specifically, we identified 314 procurement award records that were not populated with the Legal Entity Congressional District code. However, because the Inspector General community was informed that the Legal Entity Congressional District data element was not properly extracted from FPDS-NG⁷ into File D1 as designed, we did not attribute this known error to the Department.
- Eight financial assistance award records in File D2 that contained at least one incomplete data element. For example, we noted that all eight records were not populated in File D2 with the Ultimate Parent Legal Entity Name, four of which also did not contain the Ultimate Parent Unique Identifier. Because these were derived fields that were pulled directly by the Treasury's DATA Act Broker system from the Financial Assistance Broker Submission, we did not consider these errors to be attributable to the Department.

Accuracy of Data

We identified instances in which the Department's data submission was inaccurate. Data elements are considered inaccurate when recorded transaction amounts and other data have not been documented in accordance with DATA Act authoritative sources and the recorded data does not agree with the original records. In particular, we determined that 346 of 464 (75 percent) records contained a total of 576 data element accuracy errors, resulting in an overall accuracy error rate of 2.70 percent. We noted, however, that 326 of the accuracy errors identified were a direct result of previously discussed completeness errors that were not attributable to the Department. If a data element was assessed as incomplete, it was also considered inaccurate according to DATA Act reporting guidance provided by CIGIE.

Our testing of relevant data elements within Files D1 and D2 revealed accuracy issues related to the Current Total Value of Award and Potential Total Value of Award data elements in procurement award records. Specifically, we found 114 records where the Current Total Value

⁷ FPDS-NG is managed by the General Services Administration and is the primary Government-wide central repository for procurement data.

of Award data element and 136 records where the Potential Value of the Award data element reported in File D1 did not match agency records. Department officials explained that, as in years past, accuracy issues related to the Current Total Value of Award and Potential Total Value of Award data elements were likely a result of FPDS-NG recording errors made prior to the enactment of DATA Act reporting requirements. According to officials, hundreds of modifications were made to the Department's management and operating contracts over the years, which could be carrying forward inaccurate values for cumulative inception-to-date data elements. While we acknowledge that these errors may have been made years ago and carried through to the FY 2021 first quarter data, the accuracy issues identified may result in a misrepresentation of the Department's spending data by at least \$34 billion.

Timeliness of Data

During our test work, nothing came to our attention to indicate a systemic issue related to the timely processing and posting of DATA Act-related information. Specifically, we identified that only 3 of 464 (less than 1 percent) procurement award records contained a timeliness error. Based on our assessment of over 20,000 data elements, the sample error rate related to timeliness of the Department's submission was approximately .01 percent. The *CIGIE Guide* defined timeliness of the data elements as those that were reported in accordance with the reporting schedules defined by the procurement and financial assistance requirements. Specifically, in accordance with the Federal Acquisition Regulation, procurement award data elements within File D1 should be reported in FPDS-NG within 3 business days after the contract is awarded. Additionally, in accordance with the *Federal Funding Accountability and Transparency Act*, financial assistance award data elements within File D2 should be reported no later than 30 days after the award. Based on the guidance, we identified three procurement award records that were not posted within the 3-day timeframe, as required. We did not identify any timeliness errors related to File D2 data elements. At the time of our review, Department officials did not provide a justification for the discrepancies noted.

COVID-19 Assessment

The *CIGIE Guide* recommended agencies that received COVID-19 funding select a non-statistical sample of COVID-19 outlays that did not have an obligation reported in the third month of the quarter selected. Due to the limited number of COVID-19 outlays reported by the Department in December 2020, we tested the entire population of outlays.

We tested a total of 51 COVID-19 outlays associated with 29 procurement awards and 2 financial assistance awards. Our testing included an assessment of the completeness, accuracy, and timeliness of the following data elements: Parent Award Identification Number, Procurement Instrument Identifier/Federal Award Identification Number, Object Class, Appropriations Account, Program Activity, Outlay, and Disaster Emergency Fund Code. Based on our test work, we found that the Department's COVID-19 outlays for the month of December 2020 were complete, accurate, and timely. No exceptions were identified in our testing of over 300 data elements.

DATA Act Review Process

Similar to prior reports, we found that weaknesses occurred, in part, because the Department did not always ensure the accuracy of spending data submitted to USASpending.gov for public use. For instance, Department officials explained that the accuracy mistakes related to the Current Total Value of Award and Potential Total Value of Award data elements likely occurred sometime during the contract modification process and had been carried through to modifications made to date. In response to our previous audit, Department officials indicated that steps had been added to its data quality review processes to document and research incomplete and inaccurate data element values. However, these actions had not been implemented to help ensure the overall quality of data reported. Specifically, although quarterly data quality reviews were to be performed to include validation and documentation of cumulative total value award elements, we were told that only incomplete or blank values were researched for a sample of transactions that occurred during the quarter.

In addition, although many of the issues identified were outside of the Department's control, officials did not always ensure that data derived from external systems was complete and accurate. Specifically, the majority of the weaknesses identified were attributable to external systems maintained by third parties such as the Treasury and the General Services Administration. For example, the Treasury's DATA Act Broker system derived the Legal Entity Congressional District data element from FPDS-NG. However, this data element was not properly extracted from FPDS-NG into File D1, as designed, which resulted in the majority of completeness issues we identified in the FY 2021 first quarter data submission.

Impact to Department

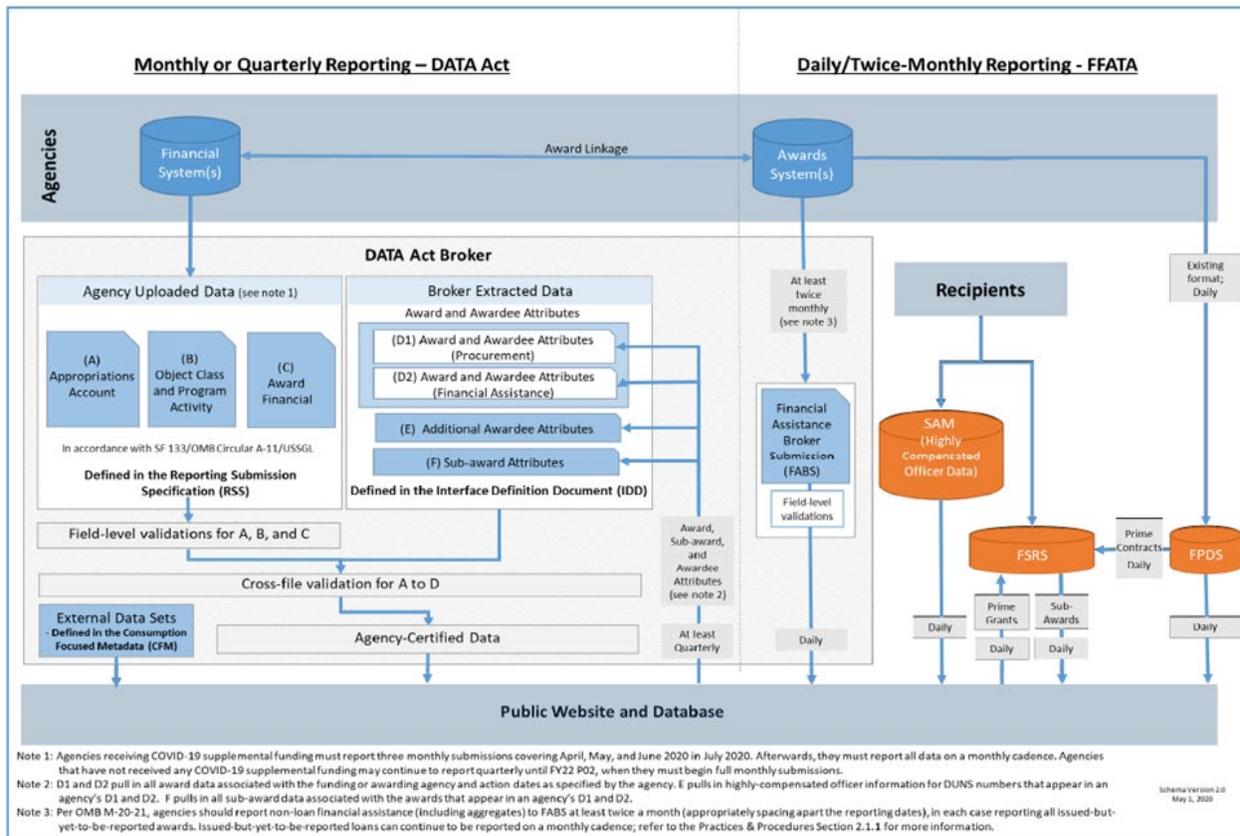
Without complete, accurate, and timely data, the Department remains at risk for reporting unreliable and inconsistent Federal spending data to USASpending.gov. In turn, policy makers and the public may draw conclusions and make decisions based on misleading or erroneous spending data. Specifically, incomplete or inaccurate information in Congressional district data elements may prevent stakeholders from fully understanding where Department activities are performed and funds are spent. In addition, inaccuracies related to cumulative inception-to-date total award information may prevent responsible entities from determining the value of the Department's contracts. Our limited assessment revealed that the Department's spending data may be misstated by at least \$34 billion as a result of accuracy errors related to 15 procurement awards. Despite making improvements in the reporting of financial and non-financial data since the inception of DATA Act requirements, we conclude that additional work remains to help officials continue improving the reliability of the Department's reporting.

Suggested Action

In response to the prior recommendation in our November 2019 report to improve the effectiveness of the Department's DATA Act reporting, the Office of the Chief Financial Officer and the Office of Management stated that data quality review processes had been reviewed and updated to continue improving the quality of spending data. Based on the overall quality of data reported by the Department, we are not making formal recommendations. However, we suggest that the Deputy Chief Financial Officer and the Director, Office of Management:

1. Update and implement processes for ensuring the completeness, accuracy, and timeliness of the Department's DATA Act submission. This includes ensuring that the Department's data elements that are extracted, derived, and reported are reviewed and resolved, as appropriate.

DATA Act Information Flow Diagram



The diagram⁸ above provides details of the reporting timeframes and sources of the data included in the DATA Act Information Model Schema across the Federal enterprise.

A brief description of the content and source of each of these files includes:

- File A – Unobligated, Budget Authority, Obligations, and Outlay balances of agency Standard Form 133s submitted through the Government-wide Treasury Account Symbol Adjusted Trial Balance System.

⁸ The FFATA stands for the *Federal Funding Accountability and Transparency Act of 2006*; the SAM stands for the System for Award Management; the DUNS stands for Data Universal Numbering System, the FSRS stands for the Federal Funding Accountability and Transparency Subaward Reporting System; and the FPDS stands for the Federal Procurement Data System.

Appendix 1

- File B – Obligation and Outlay balances at the detail standard general ledger level by Object Class and Program Activity. The source for this information is agency financial systems.
- File C – Obligation transactions at the Object Class and Program Activity level by Award Identification Number for those procurement obligations that were reported to the Federal Procurement Data System Next Generation and financial assistance obligations that were reported to the Financial Assistance Broker Submission. The source for this information is agency financial systems.
- File D1 – All procurement obligations reported to the Federal Procurement Data System – Next Generation for the month/quarter. This information is pulled directly by the Department of the Treasury into its DATA Act Broker system.
- File D2 – All financial assistance obligations reported to the Financial Assistance Broker Submission portal in the Department of the Treasury’s DATA Act Broker system.

Error Rate Percentage by Data Element

This table illustrates the results of our testing of accuracy, completeness, and timeliness for each of the data elements that were applicable to the 464 procurement and financial assistance award records reviewed. The results are listed in descending order by accuracy error rate percentage. The results represent the percentage of the records that contained an error related to accuracy, completeness, or timeliness. However, not all errors identified in this table were attributable to the Department of Energy. In the body of our report, consistent with our audit objective, we determined that the Department’s fiscal year 2021 first quarter data submission earned an overall quality score of “excellent.” In addition, we determined whether the identified errors related to accuracy, completeness, and timeliness were attributable to the Department or a third-party system.

Accuracy (A), Completeness (C), Timeliness (T)				
Data Element No.	Data Element Name	Sample Error Rate ⁹		
		A	C	T
6	Legal Entity Congressional District	67.67%	67.67%	0.00%
15	Potential Total Value of Award	30.43%	0.00%	0.00%
14	Current Total Value of Award	25.50%	0.00%	0.00%
4	Ultimate Parent Legal Entity Name	1.72%	1.72%	0.00%
3	Ultimate Parent Unique Identifier	0.86%	0.86%	0.00%
25	Action Date	0.00%	0.00%	0.65%
1	Awardee/Recipient Legal Entity Name	0.00%	0.00%	0.00%
2	Awardee/Recipient Unique Identifier	0.00%	0.00%	0.00%
5	Legal Entity Address	0.00%	0.00%	0.00%
7	Legal Entity Country Code	0.00%	0.00%	0.00%
8	Legal Entity Country Name	0.00%	0.00%	0.00%
11	Federal Action Obligation	0.00%	0.00%	0.00%
12	Non-Federal Funding Amount	0.00%	0.00%	0.00%
13	Amount of Award	0.00%	0.00%	0.00%
16	Award Type	0.00%	0.00%	0.00%
17	North American Industry Classification System Code	0.00%	0.00%	0.00%
18	North American Industry Classification System Description	0.00%	0.00%	0.00%
19	Catalog of Federal Domestic Assistance Number	0.00%	0.00%	0.00%
20	Catalog of Federal Domestic Assistance Title	0.00%	0.00%	0.00%
22	Award Description	0.00%	0.00%	0.00%
23	Award Modification/Amendment Number	0.00%	0.00%	0.00%
24	Parent Award Identification Number	0.00%	0.00%	0.00%
26	Period of Performance Start Date	0.00%	0.00%	0.00%
27	Period of Performance Current End Date	0.00%	0.00%	0.00%
28	Period of Performance Potential End Date	0.00%	0.00%	0.00%
29	Ordering Period End Date	0.00%	0.00%	0.00%

⁹ These error rates do not reflect projected error rates to the population but error rates from the sample alone.

Appendix 2

30	Primary Place of Performance Address	0.00%	0.00%	0.00%
31	Primary Place of Performance Congressional District	0.00%	0.00%	0.00%
32	Primary Place of Performance Country Code	0.00%	0.00%	0.00%
33	Primary Place of Performance Country Name	0.00%	0.00%	0.00%
34	Award Identification Number	0.00%	0.00%	0.00%
35	Record Type	0.00%	0.00%	0.00%
36	Action Type	0.00%	0.00%	0.00%
37	Business Type	0.00%	0.00%	0.00%
38	Funding Agency Name	0.00%	0.00%	0.00%
39	Funding Agency Code	0.00%	0.00%	0.00%
40	Funding Sub Tier Agency Name	0.00%	0.00%	0.00%
41	Funding Sub Tier Agency Code	0.00%	0.00%	0.00%
42	Funding Office Name	0.00%	0.00%	0.00%
43	Funding Office Code	0.00%	0.00%	0.00%
44	Awarding Agency Name	0.00%	0.00%	0.00%
45	Awarding Agency Code	0.00%	0.00%	0.00%
46	Awarding Sub Tier Agency Name	0.00%	0.00%	0.00%
47	Awarding Sub Tier Agency Code	0.00%	0.00%	0.00%
48	Awarding Office Name	0.00%	0.00%	0.00%
49	Awarding Office Code	0.00%	0.00%	0.00%
50	Object Class	0.00%	0.00%	0.00%
51	Appropriations Account	0.00%	0.00%	0.00%
53	Obligation	0.00%	0.00%	0.00%
56	Program Activity	0.00%	0.00%	0.00%
57	Outlay — Gross Outlay Amount by Award	0.00%	0.00%	0.00%
163	National Interest Action	0.00%	0.00%	0.00%
430	Disaster Emergency Fund Code	0.00%	0.00%	0.00%

Appendix 3

Comparative Results Table

This table identifies the error rate by data element from the fiscal year 2019 and fiscal year 2021 audit results. The information is provided for illustrative purposes only and may not necessarily indicate actual percent change based on differences in testing procedures, such as population size, sample methodology, quarter tested, file tested, and changes to data definition standards.

Data Element No.	Data Element Name	Error Rate ¹⁰		
		2021	2019	% Change
6	Legal Entity Congressional District	67.67%	12.35%	55.32%
14	Current Total Value of Award	25.50%	19.88%	5.62%
15	Potential Total Value of Award	30.43%	29.96%	0.46%
2	Awardee/Recipient Unique Identifier	0.00%	0.30%	-0.30%
22	Award Description	0.00%	0.30%	-0.30%
36	Action Type	0.00%	0.30%	-0.30%
53	Obligation	0.00%	0.30%	-0.30%
17	North American Industry Classification System Code	0.00%	0.39%	-0.39%
18	North American Industry Classification System Description	0.00%	0.39%	-0.39%
28	Period of Performance Potential End Date	0.00%	0.78%	-0.78%
1	Awardee/Recipient Legal Entity Name	0.00%	0.90%	-0.90%
11	Federal Action Obligation	0.00%	0.90%	-0.90%
27	Period of Performance Current End Date	0.00%	1.20%	-1.20%
25	Action Date	0.00%	1.51%	-1.51%
31	Primary Place of Performance Congressional District	0.00%	1.51%	-1.51%
26	Period of Performance Start Date	0.00%	2.71%	-2.71%
30	Primary Place of Performance Address	0.00%	2.71%	-2.71%
3	Ultimate Parent Unique Identifier	0.86%	3.61%	-2.75%
5	Legal Entity Address	0.00%	3.01%	-3.01%
4	Ultimate Parent Legal Entity Name	1.72%	5.42%	-3.70%
42	Funding Office Name	0.00%	3.92%	-3.92%
43	Funding Office Code	0.00%	3.92%	-3.92%
48	Awarding Office Name	0.00%	3.92%	-3.92%
49	Awarding Office Code	0.00%	3.92%	-3.92%
38	Funding Agency Name	0.00%	15.96%	-15.96%
39	Funding Agency Code	0.00%	15.96%	-15.96%
7	Legal Entity Country Code	0.00%	0.00%	0.00%
8	Legal Entity Country Name	0.00%	0.00%	0.00%
12	Non-Federal Funding Amount	0.00%	0.00%	0.00%
13	Amount of Award	0.00%	0.00%	0.00%
16	Award Type	0.00%	0.00%	0.00%
19	Catalog of Federal Domestic Assistance Number	0.00%	0.00%	0.00%

¹⁰ These error rates do not reflect projected error rates to the population but error rates from the sample alone.

Appendix 3

20	Catalog of Federal Domestic Assistance Title	0.00%	0.00%	0.00%
23	Award Modification/Amendment Number	0.00%	0.00%	0.00%
24	Parent Award Identification Number	0.00%	0.00%	0.00%
29	Ordering Period End Date	0.00%	0.00%	0.00%
32	Primary Place of Performance Country Code	0.00%	0.00%	0.00%
33	Primary Place of Performance Country Name	0.00%	0.00%	0.00%
34	Award Identification Number	0.00%	0.00%	0.00%
35	Record Type	0.00%	0.00%	0.00%
37	Business Type	0.00%	0.00%	0.00%
40	Funding Sub Tier Agency Name	0.00%	0.00%	0.00%
41	Funding Sub Tier Agency Code	0.00%	0.00%	0.00%
44	Awarding Agency Name	0.00%	0.00%	0.00%
45	Awarding Agency Code	0.00%	0.00%	0.00%
46	Awarding Sub Tier Agency Name	0.00%	0.00%	0.00%
47	Awarding Sub Tier Agency Code	0.00%	0.00%	0.00%
50	Object Class	0.00%	0.00%	0.00%
51	Appropriations Account	0.00%	0.00%	0.00%
56	Program Activity	0.00%	0.00%	0.00%
57	Outlay – Gross Outlay Amount by Award	0.00%	N/A	N/A
163	National Interest Action	0.00%	N/A	N/A
430	Disaster Emergency Fund Code	0.00%	N/A	N/A
Average Error Rate		2.52%	2.72%	-0.20%

Commonly Used Terms

Council of the Inspectors General on Integrity and Efficiency	CIGIE
<i>CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act</i>	<i>CIGIE Guide</i>
Department of Energy	Department or DOE
Department of the Treasury	Treasury
<i>Digital Accountability and Transparency Act of 2014</i>	DATA Act
Federal Audit Executive Council	FAEC
Federal Procurement Data System – Next Generation	FPDS-NG
Fiscal Year	FY
Office of Management and Budget	OMB

Objective, Scope, and Methodology

Objective

We conducted this audit to determine whether the Department of Energy submitted complete, timely, and accurate spending data to the Office of Management and Budget and the Department of the Treasury, as required by the *Digital Accountability and Transparency Act of 2014* (DATA Act).

Scope

The audit was remotely performed from February 2021 through October 2021 with officials working at the Department's Headquarters in Washington, DC, and Germantown, Maryland. The scope of the audit was limited to fiscal year 2021 first quarter award data that the Department submitted for publication on USASpending.gov. The audit was conducted under Office of Inspector General project number A21FN007.

Methodology

To accomplish our objective, we:

- Reviewed the DATA Act and the *Federal Funding Accountability and Transparency Act of 2006*.
- Reviewed applicable guidance and standards issued by the Office of Management and Budget, including Office of Management and Budget Memorandum M-15-12, *Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable*, Memorandum M-17-04, *Additional Guidance for DATA Act Implementation: Further Requirements for Reporting and Assuring Data Reliability*, and Memorandum M-20-21, *Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19)*.
- Reviewed prior reports and testimonies issued by the Office of Inspector General and Government Accountability Office related to the DATA Act.
- Held discussions with Department officials to gain an understanding of the processes, systems, and controls that the Department implemented to report financial and non-financial data in accordance with the requirements of the DATA Act.
- Obtained the Department's fiscal year 2021 first quarter DATA Act submissions from the Department of the Treasury's DATA Act Broker system.
- Obtained and reviewed internal controls testing reports.

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- Utilized the *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act*, dated December 4, 2020, as the framework for our review to assess the completeness, accuracy, and timeliness of the financial and non-financial award data sampled. The quality of the data was calculated based on weighted scores of both statistical and non-statistical sampling results. Statistical testing results were valued at 60 points, and non-statistical testing results were valued at 40 points, for a total of 100 points. According to the *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act*, the quality of data was considered “excellent” if the agency’s overall quality score was in the range of 100 to 95, “higher” if the score fell between 94.999 to 85, “moderate” if the range was between 84.999 to 70, and “lower” if the overall quality score was anything less than 69.999.
- Selected a statistically valid sample of certified spending data from the reportable award level transactions in the Award Financial file (File C). Our sample size was based on a 95 percent confidence level, an expected error rate of 50 percent, and a sampling precision of 5 percent. Based on these parameters, we determined that our sample size was 349 records.
- Utilized the *CIGIE FAEC Inspector General Guide to Compliance under the DATA Act* to project error rates. For each record, we calculated the average rate of error for completeness, accuracy, and timeliness based on the total data elements required to be reported for that record. We then calculated the overall sample error rate for completeness, accuracy, and timeliness by averaging the record error rates over the total number of sample items tested.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. Accordingly, we assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed the following internal control components and underlying principles significant to the audit objective: control environment and the related principle to demonstrate commitment to competence; risk assessment and the principle related to identify, analyze, and respond to risk; control activities and the principles related to design activities for information systems, design control activities, and implement control activities; information and communication and the related principles to communicate externally and communicate internally; and monitoring and the related principles to perform monitoring activities and remediate deficiencies. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit. We relied on computer-processed data to satisfy our objective and tested the validity of the data by reviewing prior internal controls test work. In

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addition, we traced a sample of the information back to source documents. While we identified weaknesses related to the completeness, accuracy, and timeliness of the DATA Act information, we determined overall that the data was sufficiently reliable for the purposes of our audit objective.

Management waived an exit conference on October 26, 2021.

Prior Reports

- Special Report on [*Followup on the Department of Energy's Implementation of the Digital Accountability and Transparency Act of 2014*](#) (DOE-OIG-20-05, November 2019). We determined that the Department of Energy had made improvements to the quality of its data since our prior report was issued in 2017. We assessed the overall quality of the Department's data as high for the information reported in the first quarter of fiscal year 2019. Based on a sample of 332 transaction records that included nearly 14,000 required data elements, our testing for completeness, accuracy, and timeliness revealed 92 of 332 (28 percent) records contained at least 1 data element that was incomplete; 163 of 332 (49 percent) records contained at least 1 data element that was inaccurate; and 92 of 332 (28 percent) records contained timeliness issues.
- Special Report on [*Department of Energy's Implementation of the Digital Accountability and Transparency Act of 2014*](#) (DOE-OIG-18-08, November 2017). We determined that the overall quality of available Department information related to the *Digital Accountability and Transparency Act of 2014* (DATA Act) was negatively impacted by weaknesses in completeness, accuracy, and timeliness of information reported in the second quarter of fiscal year 2017. In particular, we identified weaknesses related to completeness, accuracy, and/or timeliness in the Department's submission. For instance, we found that all 354 transactions sampled contained at least 1 error. While the majority of these errors were caused by other external agencies' data management processes and were outside the control of the Department and the scope of this audit, we found that 28 percent of the 354 sampled transactions contained errors caused by Department weaknesses. To the Department's credit, we noted that 91 percent of the 23,688 data elements tested from the sampled transactions were complete, accurate, and/or timely.
- Special Report on [*The Department of Energy's Readiness to Implement the Digital Accountability and Transparency Act of 2014*](#) (OIG-SR-17-03, November 2016). Our review of the Department's progress implementing the DATA Act did not identify any significant weaknesses and noted that the Department appeared to be on track to meet the requirements of the DATA Act. We also found that the Department had made significant progress addressing the elements included in the Department of the Treasury and Office of Management and Budget eight-step implementation process. Specifically, the Department had taken action to address each of the planning steps included in the DATA Act readiness review guidance and was well-positioned to execute and implement goals within the required timeframes. In addition, while the potential existed that the requirements may change, the Department's actions, to date, positioned it to successfully execute the requirements of the DATA Act.

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